

THE CRISIS BEHIND RUSSIA'S SLOWDOWN

Negotiation Now: Its Uses and Limits

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WESTERN observers often fail to notice new trends in Soviet affairs because they crop up in unexpected places. Since Stalin's death, attention has been focused on Russian foreign policy or on the struggle for succession to his power. But so far the changes in Russian foreign policy have been rather limited, and the struggle for the succession has not yet been conclusively decided. All we have been able to do with respect to these two topics is speculate, foisting very divergent interpretations on the relatively few events known to us. Meanwhile, too little attention has been paid to an area of Soviet life in which a crisis has emerged whose causes have nothing to do with Stalin's demise or the struggle for power inside the Kremlin. Yet this crisis is bound to have a crucial influence on that struggle, and on Soviet foreign policy as well.

Who needs a "relaxation of international tension" more—Russia or the West? RICHARD LOWENTHAL writes to say that it is Russia. This despite the coyness, to say the least, with which the Kremlin has received the West's latest offers to negotiate such a relaxation. The reason, Mr. Lowenthal suggests here, is not the internal political struggle that arose with Stalin's death, but the breakdown, during this past year, of the economic program imposed on Russia—and the entire Soviet world—with the result that the Kremlin finds itself overmatched in the arms race into which it plunged the world when its auxiliaries invaded South Korea in 1950. Mr. Lowenthal, who has in the last three or four years risen to eminence as a commentator as well as reporter on European affairs, was born in Germany in 1908 and studied at the universities of Berlin and Heidelberg, at which latter he took his doctorate in economics and sociology. Under Hitler he was active in the Socialist underground before emigrating to England, where he became a journalist. He was a Reuters correspondent for seven years, and since 1951 has covered Germany, and Central and Eastern Europe in general, for the *London Observer*.

I mean the breakdown of the Soviet arms program, and of the Soviet economic program in general, due to a triple crisis in agriculture, raw materials, and manpower. This triple crisis has been brought about by the very nature of the Communist arms program—by its scale and by its tempo.

WESTERN views on the present character of Soviet reality divide by and large into two schools: the "optimists" and the "pessimists." The optimists, particularly well represented in Great Britain, see the Bolshevik regime evolving in this post-Stalinist era toward "bureaucratic conservatism." A new class society, they say, developed under Stalin, with the Soviet administrators and managers and the Red Army officers forming its upper, privileged stratum; this new stratum's natural inclination in recent years to enjoy its advantages was "artificially" thwarted by Stalin's personal dictatorship and his stubborn adherence to a distorted conception of the original revolutionary dogma; with his death, things have changed: the Kremlin's present more conciliatory foreign policy and the economic concessions promised the Soviet consumer are answers to the pressure—now irresistible—of the new upper stratum; a new, conservative Communism is emerging that no longer offers a revolutionary threat to the rest of the world, and Russia may now be depended upon, just like any other state, to keep international agreements arrived at through negotiation—and the Cold War is over because the world is no longer divided into two irreconcilable ideological camps.

Against this, the pessimists, who are far more likely to be American, hold that there has been no fundamental change in the Soviet regime. They see the recent shifts in Russian policy as mere tactical maneuvers in the course of a struggle for power between individuals; the Soviet Union, now as before, is ruled by a party dictatorship, not a conservative bureaucracy, and the only way

this dictatorship can legitimize itself, now as before, is by using its state power to the end of permanent revolution at home and abroad. The pessimists also say that Stalin's successors, like himself, must keep alive the myth that foreign imperialism constitutes a permanent threat to the Soviet Union, otherwise they cannot justify or hold on to their power; hence the Bolshevik regime cannot become conservative without committing suicide: while that regime endures the world will remain divided into two irreconcilable ideological camps, and the Cold War go on.

Both views contain important elements of truth. But both are also too narrow. It is true that the party regime has been shaken and its ideology thrown in flux by Stalin's death. It may regain its rigidity under a new dictator, or it may dissolve under the pressure of the social forces unleashed by the internal struggle for power. The outcome is still uncertain—and it will depend upon that outcome whether the present division of the world into two ideological camps will continue. But what has become certain—and, as I have said, this has nothing to do with Stalin's departure—is the failure of the Soviet armaments program as pursued in recent years. And this failure must have its effect on Soviet foreign policy.

NEVER during their thirty-six years of power have the Bolshevik leaders ceased to regard themselves as bearers of a world revolutionary mission. But their conception of the means by which Communism was to expand, and of the pace of that expansion, has repeatedly changed.

Right after 1917 the spread of the revolution to a number of key industrial countries was held to be the immediate goal, and the precondition for building true socialism in Russia itself. But Lenin's New Economic Policy of 1921 implied the forced postponement of that goal. Stalin's theory of "socialism in one country," conceived in 1925 and put in effect with the first Five Year Plan and the forced collectivization campaign that began in 1928, justified the decision to proceed with the socialist reconstruction of Russia without waiting upon international developments. This turn was accompanied by a growing disregard for the Communist parties outside Russia, but the belief was never abandoned that a world-

wide expansion of the Soviet system was the only guarantee of its ultimate security, and that the antagonism between the capitalist world and that system was unresolvable.

At no time—not under Lenin, Stalin, or since—has Soviet foreign policy been exclusively determined by the factors which shape the foreign policies of other states. Yet Soviet Russia during most of its history—at least from 1921 to 1945—tried seriously to develop so-called normal relations with as many other countries as possible. Though retaining the doctrine of world revolution and manipulating the Communist parties abroad, the Soviet government recognized the governments of the capitalist world and asked for their recognition in return, traded with them and asked them for credits, and signed non-aggression pacts and alliances.

The Cold War may be defined as the period in which the Soviet regime has done just the opposite—as in those eight years and more (since the war) in which the Kremlin has made any real cooperation with non-Communist states impossible. In this period Soviet diplomatic activity became almost entirely a matter of ideological propaganda and military pressure.

The first phase of the Cold War, in which the Kremlin tried to exploit the upheavals following upon the Nazi collapse in order to secure Communist control over the largest possible part of Europe, reached its climax in 1948 with the Prague coup, and then found its limit, and end, in the Berlin airlift, the break with Tito, Zhdanov's death, the liquidation of the Greek civil war, and the fall of Vosnesensky at home.

Then came an interval of hesitation and indecision in Europe, while Mao Tse-tung was winning his victory in China. The second definite phase of the Cold War opened in 1950 with the attack on South Korea. But this won no new territory for Communism, and served only to scare the West into a vast rearmament drive.

In the effort to answer that drive, the Soviet Union launched one of its own in which it constantly and stubbornly raised its production targets, both in Russia and the satellites. This effort has broken down completely and conclusively during the last few months—not because of Stalin's death, but because of inexorable economic factors—and now it has been largely abandoned, not

in words but in verifiable deeds. Nor can it now be resumed, no matter what turn the struggle for Stalin's succession takes.

THE progress of the breakdown can be most clearly observed in the satellite countries. From 1950 through 1952, the targets laid down for heavy industry in Czechoslovakia, Poland, Hungary, and Eastern Germany were again and again revised upward under Russian pressure; in the end, annual increases of from 15 to 18 per cent were demanded even of Czechoslovakia, where rural labor reserves were practically exhausted. Yet the more moderate targets set for increases in consumer's goods and agriculture were not lowered. An all-over rise in individual productivity, the accelerated absorption of what was left of the middle classes into the industrial working force, the speedier collectivization of agriculture, and the increased employment of female labor were expected to achieve these goals. The rising investment rate was to be financed by increased "economy" in production, which meant in practice higher output norms for workers and higher delivery quotas for peasants. This meant in turn that both in the factory and on the farm more work was to be done for the same amount of real income.

DURING the summer and autumn of 1953, one satellite regime after another had to admit that the fulfillment of these plans was proving impossible and that the targets of production had to be scaled down. The East German regime—the one most openly and directly dependent on the Kremlin—already faced a crisis in February 1953, at the time of the mass flight to the West, and was the first openly to confess, at the beginning of June, that it had tried to "build socialism" too fast and without due regard to the fact that the existence of the Soviet Union made it unnecessary for her "allies" to develop all branches of their own heavy industry. The excessive tempo of industrialization had during the past year led to a drop in the consumer-goods industries and a crisis in agriculture; there had been a flight from the land, and therefore a fall in the people's standard of living. A new policy was now to be inaugurated, which would put that first. Concessions would be made to the

farmers and the urban middle classes: the acute shortages in food, textiles, and shoes were to be alleviated by drawing on the state's reserve stocks and by emergency imports; and plans were to be revised to reduce the emphasis on heavy industry in favor of consumer goods, housing, and agriculture.

The same kind of news came from Hungary after the reconstruction of her government at the beginning of July. The pace here had likewise been excessive; a decline in standards of living and a mass flight from the land were admitted; concessions to the peasants and a revision of plans were announced. Before the end of August the head of the Rumanian government confessed to the same mistakes, admitting that Rumanian agriculture was still below its pre-war level, and announcing similar remedies. Towards the middle of September, the prime minister of Czechoslovakia stated that his government's latest goals for the expansion of heavy industry had been too ambitious, and therefore had not been fulfilled; it was now necessary to cut down the number of projects under construction in order to concentrate on those that could most quickly increase the country's supply of raw materials. Here, too, agriculture was admitted to be still below its pre-war level.

At the time of writing, Poland is the only satellite that has not confessed failure or announced a general scaling down of production quotas. Meanwhile there are indications that not only may investment in heavy industry be slowed down in Eastern Germany and western Czechoslovakia, but that the artificially fostered heavy industries of backward Slovakia, Hungary, and Rumania may actually be reduced. The halting of work on the Danube-Black Sea canal and the abandonment of the projected Oder-Danube canal would indicate that the Russians no longer think of developing these regions at any cost. And it is now also known that the much publicized HUKO project for a heavy industrial combine near Kosice, which was to form the basis for the modernization of Slovakia, was abandoned this spring, while reports from Hungary say that half her blast furnaces are no longer operating, construction has been stopped on two power stations and several industrial combines, and that tens of thousands of indus-

trial workers were dismissed during September.

WHAT about the Soviet Union itself? The present Five Year Plan, though in effect since the beginning of 1951, was announced only at the 19th Communist Party Congress in October 1952. We do not know what changes preceded its announcement, or whether the climax of the frantic armament drive had already been passed at that time. Malenkov claimed in his speech to the Supreme Soviet on August 8 of this year that the goals for heavy industry were being fulfilled, but demanded greater concentration on agriculture and the consumer-goods industries in order to raise standards of living. Khrushchev, in his report to the Central Committee a month later, announced a large number of concessions to the collective farmers and a big drive to transfer both experts and skilled workers to agriculture in order to obtain a "steep increase" in that sector between now and 1955. The significant point is that the targets Khrushchev hopes to achieve by 1955 through these extraordinary measures are no higher than the original ones set for the present Five Year Plan.

Obviously, the new measures have been decided upon not freely, or out of a benevolent desire to raise standards of living as such, but to cope with a severe agricultural crisis that threatens the stability of the entire Soviet system. And it is equally obvious that this crisis is owed to the same policy of forced industrialization that has caused the crisis in the satellites. It is obvious, again, that the concessions to the collective farmers can be financed, and skilled labor shifted from industry to the countryside, only if other targets of production are reduced. Malenkov's announcement that the production of capital goods (or means of production) had reached 70 per cent of the total industrial output of the USSR, and that a more balanced relation with consumer production was now to be sought, shows that the retreat from forced industrialization in the satellites is part of a new over-all policy decided upon for the USSR too. The reported cessation of canal-building in Central Asia would bear this out.

Even in China, where forced industrialization in Soviet style is just about to begin,

and the creation of a heavy industry plant has been constantly proclaimed as the chief objective of China's first Five Year Plan—even there, the announcement of the details of that plan has been delayed while "over-ambitious" projects were being cut down on Soviet advice.

The Soviet propagandists contend that this great shift in economic policy all over the Communist world is an act of sheer benevolence made possible by the achievements of industrialization to date, and perhaps by an increased sense of international security. In the West, the optimists see the new policy as an expression of the new spirit in the Kremlin, while the pessimists wonder whether it is not the possession of the hydrogen bomb that has made it possible for the Soviets to ease up on general armaments. It is our thesis, however, that the new policy has been forced upon the Soviet regime by the insurmountable economic, and indeed physical, obstacles that its previous policy has come up against.

MODERN industry can be expanded almost as fast as one chooses if sufficient capital is at hand for investment. For this reason, totalitarian governments, presumably free to invest according to their political needs, tend to think that they are likewise free to expand industry at any pace they wish. However, their investment capital is not so unlimited as they imagine, being determined by three external factors: manpower, agriculture, and raw materials. The production of none of these can be increased by fiat, and thus they set necessary limits to industrial investment and the pace of industrial expansion. If that pace is stepped up without regard to the maximum rate at which any one, or all, of these three factors can be increased, "nature" applies the brake. This holds as true in a capitalist boom as under a Communist plan. In the first case, the brake is felt as a gradual increase in costs; in the second, it is a question of physical, natural impossibility.

It was such impossibility that applied the brake in the Soviet empire in 1952 and 1953. There was, first, not enough manpower available to fulfill all the plans at one and the same time. Even in the more backward satellite countries, with their traditional surplus of rural labor power, the human reserves

were nearing exhaustion. In the more advanced countries, on the other hand, the scheduled increase in heavy industry was to be achieved almost entirely by the sheer increase of productivity. Yet an increase in productivity of, say, 15 per cent in a single year in a developed country working at full capacity is a physical impossibility—even by use of the harshest imaginable slave-driving methods.

There was therefore only one way left to meet the priority quotas for the expansion of heavy industry, and that was to withdraw manpower from agricultural production, at no matter what cost, while at the same time withholding it from light industry. As we now know from official admissions, this was the way chosen by desperate administrators in all the satellite countries—and, evidently, in the Soviet Union too.

The exodus from the countryside to town was speeded up by a redoubled collectivization drive. But the agricultural machinery, the fertilizers, and the feed that were to make the reduced working forces of the new collective farms even more productive were not there: the machinery factories, the chemical plants, and the foreign-exchange reserves had already been earmarked for heavy industry. The result was a continent-wide decline in agricultural production; and, as happens so easily without agricultural reserve stocks, one bad harvest was enough to create a continent-wide food crisis.

A third obstacle was the difficulty of increasing the output of coal and iron with the given mining resources. Poland and Czechoslovakia supply between them almost all the coal for satellite Eastern Europe. Poland's coal surplus is, however, her only source of free foreign exchange with which to buy Western goods, including Swedish iron ore for herself and the other satellites. Yet Poland's coal production plan could barely be fulfilled by using up to 20 per cent of forced labor in her mines; while Czechoslovakia's coal quota, though around 15 per cent of her miners were already forced laborers, could not be met owing to absenteeism, until the army's "Technical Aid Battalions" (the conscripted but unarmed sons of the middle class, and other "unreliable" elements) were sent down into the pits last August. Of all this coal so desperately mined, Russia herself has taken an

ever increasing share—20 million tons this year from Poland as against 14 millions last year—leaving less and less for export to the West. Yet at the same time Russia has been unwilling or unable to make good the iron ore which the satellites can no longer import from Sweden, by increasing deliveries to them from her own mines at Krivoi Rog.

The effects of the various shortages have been exacerbated by their interaction. An ill-fed miner will produce less coal after a while, no matter how much he is threatened or bribed by the state; a farmer who gets no consumer goods for his money will produce, or deliver, less and less, and if pestered with impossible demands will finally quit; a factory worker shivering in the cold room that is his home, harassed by electricity cuts, and eating poor food, will turn out a poorer and poorer product. The point was reached in the Communist world where the further use of force decreased rather than increased the economic yield.

ALL these difficulties must have been long known to the Soviet leaders, just as they have been long known to Western economists studying the Soviet situation. Nevertheless, these leaders for years refused to admit that their armament goals could not be achieved, and therefore refused to revise them. Meanwhile the Western economists were equally reluctant to predict outright failure. Both parties seem to have been hypnotized by the notion that nothing was economically impossible for a full-blown totalitarian state; both shared the belief that such a thing as economic limits to state power was an illusion of the bygone age of liberal capitalism—a present reality only for states old-fashioned enough to count the cost of a policy in terms of human lives.

This faith in the transcendent power of the totalitarian state dates, both in the East and the West, from the time of the first Five Year Plan and the forced collectivization of Russian agriculture. It was then that Stalin achieved his "revolution from above" by starving and deporting millions of people; nor did he blink then at the catastrophic decline of Soviet livestock.

Now, however, we can see how this precedent was misleading. At the time of the first Five Year Plan, 1928-1933, Stalin was anxious above all to transform the struc-

ture of Soviet agriculture in order to get the peasant in the grip of his planning machine: his chief aim was such a shift in social power as could be achieved only if the state was willing to sacrifice millions of human beings and at the same time assimilate the partial ruin of the country's economy. After 1950, however, the chief, the obsessive aim of the Bolshevik leaders was to increase the Soviet economy's war potential as quickly as possible. Even in the satellites, collectivization was decided upon as a means in the first place of achieving production rather than social or political goals. Given *this* difference, economic limits *did* exist—this, quite apart from whatever effect a policy of slavery, speed-ups, and planned starvation might have on the readiness of the satellite peoples to defend “their” popular democracies.

For years the Soviet leaders were repeatedly warned against taxing the satellite economies to their breaking point. The “nationalist” heresy of the former Polish Communist leader Gomulka consisted not only in his initial reluctance to damn Tito as a traitor, but above all in his doubts about the advisability of forced collectivization in Poland—and thus, even after his fall, the Polish regime has generally shown great skill in keeping the pace of industrialization moderate. In Czechoslovakia, the late Gottwald's planning experts desperately opposed a policy that meant the ruin of their country's traditional manufacturing industries and the surrender of the latter's export markets in the West; one such expert, Ludwig Frejka, paid for this opposition with his life, being executed as an alleged accomplice of the “traitor” Slansky. In Hungary, cautious and diplomatic reservations were voiced by party boss and ex-Prime Minister Rakosi, and by his former chief planner, Zoltan Vas. In Rumania, it appears, Ana Pauker warned against over-hasty collectivization at the beginning of 1952. Though almost all these “right-wingers” were demoted (with the partial exception of Rakosi) none, except Frejka, was put on trial or executed: Gomulka has recently been released from prison and is convalescing in a hospital, while Frejka's former immediate colleague, Dolansky, once the chief Czech planner, is still a deputy premier. It would appear therefore that Stalin and his advisers regarded the

doubts of these people as more or less legitimate and not necessarily treasonable, though again and again resolving to ignore them.

THE utopian thesis that an all-out armament effort—which was deemed necessary—and “progress towards Communism,” i.e., the raising of the general Soviet standard of living—which was desirable—could be pursued simultaneously had already been rejected by the Politburo back in 1949, when Vosnesensky was overthrown. We know now that it was against him chiefly that Stalin directed his assertion of the reality of objective economic laws in his last pamphlet, *The Economic Problems of Socialism*. But though Stalin recognized the necessity of choosing between an all-out arms program and the raising of standards of living, right up until 1952 he stuck to his belief that arms production at the pace required by his foreign policy could be continued indefinitely—and at the expense of standards of living. For as long as the Kremlin continued, or felt it had to continue, its Cold War policy, economic retreat was impossible. But once the recognition of economic failure compels a retreat, then foreign policy has to retreat too.

It would seem that top-level discussions about the possibility of a simultaneous new “turn” in both economy and foreign policy began while Stalin was still alive, and even had something to do with the jockeying for position of his prospective heirs. Stalin's above-mentioned pamphlet, published on the eve of the 19th Party Congress last year, showed that the decision then still hung in the balance. On the one hand, Stalin went so far in this pamphlet as to make the primacy of the production of means of production part of the very definition of socialism, even hinting at the need to overcome the crisis in agricultural deliveries by destroying what was left of the peasants' independence rather than by granting them concessions. On the other hand, his analysis of the international situation, with its assertion that conflict among the imperialists would more likely lead to war than would the fundamental conflict between the imperialists and the Soviet Union, could be used to justify ending the Cold War and reducing the armament effort. Yet in the

last months of Stalin's life the Cold War party in the Kremlin, strengthened possibly by the shock of General Eisenhower's victory, seemed to have regained the upper hand. Late in November the trial of Slansky, who had been originally attacked as a head of the Cold War party, was suddenly turned around into an attack on all past attempts at a moderate economic policy, and also made the occasion for an anti-Semitic spy scare. The arrest of the Kremlin doctors in January seems likewise to have been used in a final effort to create an atmosphere of war hysteria and make the continuation of the Cold War, with its attendant economic sacrifices, appear inevitable.

This desperate effort ceased suddenly with Stalin's death. It appears that conclusive reports about the impossibility of achieving the economic targets of the Cold War, and particularly about the extent of the agricultural crisis, reached his heirs during the weeks immediately following. The decisions to end the fighting in Korea, release the Kremlin doctors, and order an economic retreat, all seem to have been taken within those few weeks.

SINCE then the Soviet leaders have steered a zigzag course in the attempt to work out a new and more flexible foreign policy, while the struggle for power inside Russia goes on by fits and starts. But the economic retreat has spread from one Communist country to another steadily and consistently. There have been few zigzags here.

In Eastern Germany and Hungary, the scene of the pilot experiments for the "new course," it was admitted that unwilling peasants had been forced into the collective farms, and would now be allowed to leave. The authority of these two satellite regimes was seriously shaken by such admissions. In Eastern Germany, the uprising of June 17 followed; in Hungary, peasants moved *en masse* to recover their collectivized acres; this threatened to disorganize the harvest and disrupt the whole structure of Communist power in the countryside. The official reaction in each case was a desperate effort to tighten the reins again, with frantic assertions that, after all, the past mistakes had been only of a minor order, while the "general line" had been correct. In all the other satellites and in Russia itself, the "new

course" was now introduced by praising the achievements of the old one, and nowhere was the experiment of permitting peasants to leave the collectives repeated.

Apart from this, the "new course" resulted in more or less identical measures everywhere—before and after the East German rising and the Hungarian crisis, before and after the fall of Beria. First: the delivery quotas and taxes of the peasants were reduced, and their arrears cancelled; in some places—Russia particularly—the prices paid the peasants for their deliveries were increased. Second: the prices of food and consumer goods were lowered. Third: emergency imports of food, feeds, textiles, and leather were hurried through, and some of the stocks of these items in the state reserves put on the market, in order to provide consumer goods for the increased purchasing power; this also meant that foreign exchange was no longer to be devoted exclusively to the capital goods program. Fourth: the economic plans were adjusted to the increase in consumers' buying power; the state's investment funds were reduced; this, with the redirection of foreign exchange, provided for a lower investment rate, a higher increase in consumer-goods production, and a slower increase in heavy industry. The extent of all these changes has been different from country to country, but their direction remains the same.

However, this new course can be pursued effectively only if the Soviet leaders adjust their foreign policy to the slowing down of their armament effort—that is, if they try to remove the incentives to rearmament in the West by "normalizing" diplomatic relations and reducing international tensions.

IN THE view of the Soviet leaders, the economic retreat and any accompanying effort they may make to slacken pressure in the Cold War do not imply change in the basic character of their regime, or in its basic antagonism to the capitalist world. On the contrary, it is hoped that the new policy will enable the Soviet world, in "peaceful coexistence" with its enemies, to strengthen its own position and that of the Communist movements elsewhere until the next opportunity emerges to take the revolutionary offensive without major risk. It is hoped, moreover, that the new policy will serve to

consolidate further the totalitarian regime in the USSR and its satellites, and that the slowdown of the arms race will provoke economic crisis in the capitalist world, while the revolutionary movements in the underdeveloped countries continue to undermine the international position of the Western powers. The Soviet leaders believe that today, as in the middle 20's and the 30's, a smoothing over if not settlement of outstanding issues of conflict, and a normalization of diplomatic relations will serve their purpose better than international tensions kept at fever pitch.

But the Cold War cannot be liquidated without major concessions to the West. This faces the Soviet leadership with some extremely difficult decisions to make at a time when the regime itself is in a state of flux and the issue of supreme power not yet settled. How far the Soviet leadership will have to retreat, at home and abroad, is linked up with that issue.

THAT this issue itself should bulk so large is owing to the unique and highly artificial character of the Stalinist regime. The purges of the 30's, while decapitating the party that had carried Stalin to power, also decapitated the newly emerged bureaucratic upper class, sparing only its more timid and pusillanimous members. This surviving "rump," tending as it did towards conservatism, was forced into a totalitarian party that continued to maintain and justify its rule by permanent revolution—though now become permanent revolution from above. At the present moment, the question is whether this unnatural fusion of bureaucrats and revolutionaries can outlive its creator.

There are indeed powerful forces in the Soviet regime tending away from revolution and towards "bureaucratic conservatism." Most of the present leaders, from Malenkov down, have little or no connection with the Bolshevik revolution; conditioned by managerial training and administrative experience, they tend to think in terms of efficiency rather than of doctrinal orthodoxy. And they have had, moreover, to begin their regime with a forced retreat. This retreat is bound to be popular with those they rule but it could be attempted only by an open break with Stalinist tradition, Stalinist ideology—and Stalin's personal agents.

To insure his control over the state machine and coordinate its various branches, whatever their divergent interests, Stalin had built up a personal machine, or secretariat, with hundreds of members. This machine had agents entrenched in every part of the administration who controlled their nominal superiors and guaranteed Stalin's right to intervene anywhere at any time. I share the opinion of those students of Soviet affairs who believe that the frame-up of the Moscow doctors was prepared by Stalin's machine, and that the military leaders named as the intended victims of the "plot" were in sympathy with the machine's aims at that time: that is, they sided with Stalin on the eve of his death in opposing any retreat on the economic or foreign front. Once he was dead, however, his machine was immediately smashed under the slogan of "collective leadership."

If Stalin's personal machine had to be liquidated in order to clear the way for retreat, the liquidation of important parts of Stalinist ideology was necessary to rationalize the retreat. Stalin had laid down that the priority of the production of means of production was essential to socialism; but now Malenkov has admitted that heavy industry's preponderance over consumer-goods production has reached unendurable proportions, and he has promised relief. Stalin had demanded that the "delivery resistance" of the collective farms be broken by gradually eliminating what remained of their nominal freedom to dispose of produce on the open market; Malenkov and Khrushchev are now offering increased incentives to the farmers, have lowered their delivery quotas, and, after years of bitter struggle to reduce the scope of the collective farmers' individual plots, now offer special tax concessions on these. Stalin saw the future development towards Communism as entailing the gradual disappearance of production for the market, i.e. of internal trade; but Malenkov now gives special attention to the improvement of domestic trade, and Mikoyan, who has been specially assigned to this task, proclaims the need to learn from capitalism.

Though there has as yet been no explicit repudiation of Stalin's teachings, their liquidation goes on. The abrupt dampening of his personal cult and the abandonment of the habit of quoting him in support of every

argument constituted only the first step. The second was the publication on July 25 of this year, the fiftieth anniversary of the formation of the Bolshevik faction of the old Russian Social Democratic party, of some new "theses" on party history that barely mentioned Stalin, referred to none of his principal writings—though to all those of Lenin—and passed over in complete silence the official *Short Course in the History of the CPSU* that was published in 1938 and later included in Stalin's collected works—a book which has served as party bible for millions of Communists the world over. Yet even here the Kremlin follows no straight line, but backs and fills—for the internal struggle is not yet over.

THE sharpest break with Stalinist legend so far was the release, in Khrushchev's report to the Central Committee, of figures showing that after twenty-five years of collectivization the Soviet Union has fewer cows than in 1928, and indeed fewer than czarist Russia in 1916. Such a damaging disclosure was not required to justify the immediate policy changes announced by Khrushchev: it would have been enough to admit the failures of the last year or two. This deliberate revelation of a fundamental fact that had been so long and carefully concealed only makes sense if interpreted as preparing the way for further far-reaching policy changes—changes that would not only affect farm prices and delivery quotas, but the very structure of relations between town and country.

Since the Soviet regime as now constituted cannot relax the collective farm system without running the risk of an immediate general collapse, the only such structural change conceivable is the gradual abolition of compulsory deliveries at fixed prices. Khrushchev's speech contained indications that just such a change was being contemplated.

The system of compulsory deliveries at fixed prices considerably lower than market prices is as old in Russia as the Five Year Plans, and the need for such deliveries was historically one of the reasons for herding the peasants into collectives so fast. But Tito, in Yugoslavia, succeeded in abolishing the forced-delivery system—and thereby greatly improving his relations with the peasants—before permission to dissolve the col-

lectives was ever contemplated, and there is evidence that the new Soviet leaders have been quietly but carefully studying the Yugoslav experiment. For instance, Bruno Leuschner, a chief planner in East Germany, in discussing ways of improving the quality and variety of consumer goods, has suggested a number of measures that are plain copies of "Titoist" reforms.

But once the exclusive concentration on heavy industry and arms is given up, and the need recognized to improve standards of living in order to obtain better results from work, it soon becomes apparent that a mere change in planning figures is not enough. The methods, too, of planning must be changed, to take account of human beings as they actually are. The logic of this becomes compelling, however, only when the doctrinal and dogmatic shell has been broken, and eyes have been opened to the evidence of daily experience—which was what happened in Yugoslavia after Tito's break with Stalinism. In Russia, that break is still far from being as deep as in Yugoslavia, but economic pressure is working in that direction: technology, we see in the Soviet press, tends to replace ideology; managerial proficiency, proved by results, has become the test of the good party man. (No totalitarian party, however, can rule without ideology: if the Communist leaders abandon their old dogmas without putting anything in their place, they may save the people of Russia, but not themselves.)

The retreat from totalitarian dogmatism, the way to relaxation, flexibility, and experiment is not smooth. The stalwarts of Stalinist orthodoxy, the diehards of the permanent revolution and the periodic purge, have been defeated for the time being—but not liquidated. The weight of traditional authority, the experience of a foreign service trained in Cold War tactics, and of an intelligence service imbued with uncompromising hostility to all "capitalist" states, are on the side of the diehards—as is also the inertia and sheer will to survive of a vast propaganda and terror machine. Some of the odd quirks of satellite policy that bewilder Westerners, like the recent revival of church persecution in Poland and the appearance of long articles praising Stalin's *Short Course*, and even Zhdanov, in the East German press, may express the resistance of the diehards. Be-

hind the usual screen of outward conformity, we may imagine them biding their time, waiting for the failure of the new masters and the chance to strike back. In one sphere of Soviet policy above all, the resistance of these diehards seems still strong enough to prevent an effective and consistent "new course": that sphere is foreign policy.

WE BEGAN with the claim that the Soviet regime must try to end the Cold War because of the impossibility of achieving its armament goals. We now have to admit that so far its effort to this end has been a limited and hesitant one, and the retreat on the foreign front has been far less consistent or steady than on the economic or even ideological one. The one definite major change has been the decision to end the fighting in Korea by accepting the Indian resolution; there have also been the steps taken to normalize relations with Turkey, Greece, and Yugoslavia, and the concessions made to the Austrian government. But on the two largest unsettled questions of world politics today—Germany and Korea—nothing definite and tangible has come from the Kremlin. In the first months after Stalin's death the new rulers did seem to be taking a fresh approach and genuinely seeking to arrive at a compromise by negotiation, but since then—and especially since the June uprising in East Germany and Beria's fall—they have relapsed into the same old diplomatic shadow-boxing and the same old rhetoric of denunciation. The very fact that Molotov and Vyshinsky still function as the mouthpieces of the Soviet foreign office would show that the Soviet regime does not yet consider a real international settlement possible, or indeed urgent.

Why should a government which, on our own showing, urgently needs a relaxation of international tension hesitate to make a real attempt to bring one about? There seem to be two reasons. On the one hand, even the most favorable German and Korean compromise still conceivable for Russia would mean a costly retreat on her part. At the same time the United States shows little inclination to negotiate any compromise at all. On the other hand, a costly and difficult settlement no longer seems necessary to the Russians in order to obtain a *détente*: the end of the fighting in Korea, together with

certain minor conciliatory gestures, has already served to increase Western resistance to a further armament effort and soften the Western diplomatic front. From the Soviet point of view there is no point in embarking on new, earnestly meant negotiations if the enemy is neither strong enough to extort them nor flexible enough to offer sufficient inducements.

TAKE the German question, for example. Fear of a rearmed Western Germany allied to the United States has been one of the main preoccupations of Soviet policy since 1950. Any compromise on German unity that would mean surrendering East Germany could make sense from the Russian point of view only if a reunited Germany were excluded from military collaboration with the West. But the United States has always insisted on freedom of action for a reunited Germany—that is, freedom to join the West—and Dr. Adenauer has made it clear, with the full approval of the West German electorate, that a free and united Germany would join the West not only politically and economically (this, Moscow would have to expect in any case) but also militarily. As the Russians see it, there is nothing to gain and much to lose in a settlement that gave a reunited Germany such freedom of action; nor could a formal non-aggression pact with a Western alliance that included Germany be regarded as any improvement.

But while the Kremlin has been offered no expectation of preventing Germany's military collaboration with the West by diplomatic concessions, it has good reason to think that it may still be able to do that without concessions. French opposition to the ratification of the European Defense Community, or to any other formula for German rearmament, has been the major factor in delaying the EDC so far; and no specific Soviet concessions have been needed to encourage that opposition—the general impression that the Soviets are becoming "more reasonable" has been enough. Thus America's threat to rally Germany to her side against Russia remains an empty one.

The Korean situation appears to be fundamentally similar. Here America's commitments to Syngman Rhee seem to bar any conceivable compromise solution. Yet failure

to arrive at a peace treaty carries no real threat for the Soviets since a resumption of the war by the West, though desired by the South Korean government, would be opposed by Great Britain and America's other allies in the United Nations. Moscow has nothing to gain by a settlement, now that the cease-fire has achieved the essential purpose of calming the international atmosphere; nor has it anything to lose by avoiding such a settlement.

If this analysis be valid, the West's own rigidity and disunity may prevent her from exploiting the USSR's present weakness. And by preventing a real liquidation of the Cold War now, we may strengthen those elements in Russia that want to return to Stalinist orthodoxy and the atmosphere of the besieged fortress, while weakening the forces working to relax the party regime. But what is the alternative? Should we keep sending the Russians invitations that they reject? Should we hurry to offer them concessions at a moment when they are weaker than they have been for years? Should we avoid anything that might "provoke" them lest they turn Stalinist again?

Of course not. Unconditional "softness" in dealing with the Soviet government would be as vain as unconditional "toughness," and perhaps even more dangerous. The real problem is not what concessions to make to the Russians, but how to offer them a way to get a settlement by making limited but real concessions to us. The Russians have been weakened, but not defeated. They are due for a retreat, but not for a surrender. They should be told clearly that they cannot get a relaxation of international tensions by just sitting back and doing nothing, but only by consenting to a settlement that advances the frontiers of freedom at their expense. And they should also be told that we are ready to negotiate with them at any time over the exact price.

WHenever such a settlement by negotiation is proposed the cry of "appeasement" goes up, and Munich, Teheran, and Yalta are called to mind. But there is a difference. At Munich the Western democracies, under the threat of force, handed over to an aggressive dictator territory that was not his. At Teheran and Yalta the Western democracies, swayed by the wartime alliance

against Hitler, mistook the nature of Stalinist Russia, and voluntarily surrendered countries that Russia could not have wrested from the West by force (though in part they merely sanctioned the occupation of countries that had already been overrun by the Red Army).

What is proposed at present is negotiation as a means, not of retreating before totalitarianism, but of compelling it to retreat before democracy. Those who deny the possibility of succeeding in this ask us in effect to accept the absurd dogma that, though dictators may gain their ends by diplomacy, democracies can never do so, but can advance only by force.

However, there is a more serious objection. Any negotiated settlement, whatever its form, will amount to a new delimitation of the Western and Soviet spheres of influence. Even if the result this time is a Western advance and a Soviet retreat, many peoples would still be left under the totalitarian yoke; by agreeing to a settlement, we shall appear to be sanctioning the continuance of this immoral state of affairs and betraying friends who remain behind the Iron Curtain. Would it not be preferable morally, and even wiser politically, to maintain pressure at maximum, in the hope of ultimately bringing about the total collapse of the Soviet system?

I shall not discuss the question of whether the West—which at present lacks the unity and resolution required to carry on concerted negotiations for even limited gains—has enough stamina to maintain such pressure in the face of all the temptations to compromise that would be offered to separate Western states. The decisive point is that the opponents of partial advance by negotiation have never been able to explain in just what other way they intend to liberate the world from Soviet power. Nobody seriously advocates war, but if that is excluded, liberation by negotiation is the only alternative. Liberation by declamation is not enough.

Now it is in the nature of all negotiated settlements that their results should be limited. But their limitedness does not necessarily deprive such results of dynamic potentialities. There is no reason why the dynamism of success and failure, of advance and retreat, should not work in favor of democracy as much as it has worked in the past in favor of totalitarianism. At a time

when the Soviet leadership is being forced to retreat in the face of self-incurred economic difficulties, when its need for an international breathing spell is urgent, and when its shell of dogmatic self-assurance is cracking, and new forces are making themselves felt underneath the surface—at this time a negotiated advance of democracy, based on the maintenance and strengthening of our economic and military advantages, may give rise to economic repercussions all over the Soviet world. It is the task of Western diplomacy to make such an advance possible.

POSTSCRIPT: Molotov's note rejecting the Western invitation to a four-power conference on Germany and Austria, Voroshilov's speech on the recent anniversary of the October Revolution, with its marked reversion to Stalinist ideology, and the reopening of the Red Square mausoleum with Stalin's mummy now lying next to Lenin's—all this would seem to show that Stalinism has regained the upper hand in Russia. Western rigidity, coupled with Western disunity, has probably played a role in evoking this reaction. But nothing has happened so far to show it is more than another swing of the pendulum in an unstable regime—there being no evidence yet of any final decision in the struggle for internal power in Moscow.

Some Western observers conclude from latest events that Moscow has finally decided not to ease up on the Cold War, and that hence we ourselves must continue to build up military strength undiverted by mirages of negotiated settlement. Other observers think that the Kremlin has now become too frightened to risk any change in the status quo, and that we would be wise to accept a tacit settlement on this basis. Both conclusions, in my opinion, are premature.

But the status quo no longer corresponds to the real balance of power, and to accept it just because the Russians are digging their toes in would mean to renounce the fruits of our increased strength merely because our diplomacy has so far not discovered a way of reaping them. The Russian refusal to ne-

gotiate a German settlement right now does not prove that the Cold War must continue indefinitely. The Stalinist old guard has strengthened its hold, not because Russia has suddenly become stronger again, but because it now sees an apparent way out of the necessity of compromise and negotiation in a gamble on the inability of the West to implement its plans. Our only effective answer remains to prove we can implement them—by obtaining French agreement to German rearmament either within the EDC or in some other form—and then to declare that we are prepared to delay execution during a limited period of negotiations.

Those in the Kremlin who oppose a partial settlement with the West at this time have yet another argument, however. Like many Western experts, they feel that in an age of atomic long-range weapons the danger of hypothetical German ground divisions is far less serious, and that negotiation is not worthwhile which leaves American air bases in Europe undisturbed; if negotiations are to be effective, they must grapple with this threat. Though they have not yet asked for the dismantling of these bases as a pre-condition for negotiations, the Russians have said that these should be one of the principal subjects of any conference.

In the nature of things, this is a matter which the West could not discuss in the context of a provisional and partial settlement, but only in that of a permanent and total one—and for which it, the West, would have to ask a correspondingly higher price: there could be no dismantling of the system of American bases without the dissolution of the Soviet postwar empire and the general freeing of its enslaved peoples. From all we know, Soviet leaders are still very far from recognizing the need for such a wholesale surrender of their conquests. If they continue to insist on discussing everything at once, it will mean therefore that there is no point yet in discussing anything at all with them and that the Cold War must go on. But we have yet to see whether the Russians will continue so to insist if Western policy on partial issues such as Germany becomes both more convincingly united and more flexible than it has hitherto been.